

# EXHIBIT A

**Exhibit A**

## DENTIST EMPLOYMENT AGREEMENT

This Dentist Employment Agreement (this "**Agreement**") is entered into, to be effective as of December 21, 2006 by and between GS Physician Services, Inc., a Texas nonprofit corporation ("**Corporation**"), and Jeffrey T. Shelton, D.D.S. ("**Dentist**").

WHEREAS, Corporation desires to employ Dentist to provide professional dental services to patients of clinics staffed by Corporation (the "**Clinics**") pursuant to the terms of this Agreement; and

WHEREAS, is a licensed dentist and desires to be employed by Corporation pursuant to the terms of this Agreement;

Now, therefore, in consideration of the foregoing premises and of the mutual promises and undertakings of the parties set forth below, the parties hereby agree as follows:

1. Employment. Corporation hereby employs Dentist, as of May 1, 2007 or such other date as Corporation and Dentist may mutually agree in writing (the "Start Date"), and Dentist agrees to be employed exclusively by Corporation, to render and document dental services to patients designated by the Corporation and provide other professional dental services as requested by Corporation, in a manner in which such services are normally provided by a dentist engaged in the practice of dentistry in the Longview community and in accordance with the terms and conditions set forth below. All services to be provided hereunder shall be provided personally by Dentist, and Dentist shall not substitute any person to serve in his place. With the exception of time off as provided herein, Dentist shall provide professional services in the Clinics From 8:00 a.m. to 4:00 p.m. Monday through Thursday of each week and Friday's as needed and shall be available to provide on-call coverage for Good Shepherd Medical Center and the Clinics a maximum of one in every three nights, as specified by Corporation.

Dentist hereby represents and warrants to Corporation that, except as set forth in Schedule 1, (a) Dentist's license to practice dentistry or to prescribe controlled substances in any state has never been suspended, revoked or restricted; (b) Dentist has never been reprimanded, sanctioned or disciplined by any licensing board or state or local medical society or specialty board; (c) there has never been entered against Dentist a final judgment in a malpractice action and no action, based on an allegation of malpractice by Dentist, has ever been settled by payment to the plaintiff; (d) there have been no claims threatened or pending against Dentist for dental malpractice occurring within five (5) years of the date hereof; (e) Dentist has never been denied membership or reappointment of membership on the medical staff of any hospital and no hospital medical staff membership or clinical privileges of Dentist have ever been suspended,

curtailed or revoked, nor has Dentist voluntarily relinquished such staff membership or clinical privileges while a charge of substandard quality of patient care was pending against him (regardless of the truth or falsity of the charge); (f) Dentist has never been excluded from the Medicare or any Medicaid program; and (g) Dentist holds an unrestricted license to practice dentistry in the State of Texas issued by the State Board of Dental Examiners (the "Dental Board").

2. Term. Dentist's employment relationship with Corporation in accordance with the terms and conditions hereof shall commence on the Start Date and shall continue in full force and effect for an initial term of two years (2) (the "Initial Term"), unless sooner terminated as provided herein. After the Initial Term, the Agreement shall automatically renew for successive two (2) year terms, unless either party provides written notice to the other of its/his/her intent not to have this Agreement renew at least ninety (90) days prior to the expiration of the then current term. "Term" shall mean the Initial Term and any renewal terms.

3. Duties of Dentist. During the term of this Agreement, subject to the direction and instructions of Corporation, Dentist shall:

(a) provide professional services (including evaluation, diagnosis and treatment of patients) for Corporation on a full-time basis (less holidays as designated by Corporation) at such Clinic and hospital locations designated by Corporation and devote Dentist's full-time attention and energies to Corporation and its practice and business, subject to the direction of the officers and directors of Corporation;

(b) as a condition of initial and continued employment, be a dentist duly licensed, registered and in good standing under the laws of the State of Texas, maintain a valid Federal DEA certificate and Texas DPS permit, maintain medical staff privileges in good standing at Good Shepherd Medical Center (the "Medical Center"), be a participating dentist in the Medicare and Texas Medicaid programs, and maintain licensure by the Dental Board;

(c) notify Corporation immediately upon termination, revocation, suspension, probation, limitation or expiration without renewal of Dentist's license to practice dentistry in the State of Texas, specialty certification (if any), state or federal authorization to administer or prescribe controlled substances, or participation in the Medicare or Medicaid programs, or upon notice of any investigation by any governmental entity;

(d) comply with all state and federal laws applicable to Dentist and/or Corporation and the ethics and standards of care of the dental community in which Dentist is practicing, as well as Corporation's rules, policies and procedures, provided Dentist shall have received at least ten (10) days prior notice of the effectiveness of any

such rules, policies and procedures;

(e) prepare complete and accurate dental records relating to all professional services provided by Dentist in accordance with Corporation's or Medical Center's respective policies or requirements, and prepare all records, reports, claims and correspondence necessary and appropriate under the circumstances or as requested by Corporation in connection with such services;

(f) comply with the terms and conditions of agreements between payers for health care services (such as employers, insurance companies, health maintenance organizations) and Corporation or Dentist ("**Payer Agreements**"), as applicable to services performed by or supervised by Dentist, and cooperate with and assist Corporation in its compliance with other terms and conditions of Payer Agreements;

(g) cooperate in all litigation matters affecting Corporation to the extent Dentist does not have a conflict of interest (if Dentist is no longer an employee of Corporation at the time such cooperation is requested, Dentist shall be reimbursed by Corporation for his or her reasonable out-of-pocket expenses);

(h) attend appropriate Corporation or Clinic meetings and provide dental health education, credentialing/peer review, quality improvement and related medico-administrative services as Corporation may from time to time reasonably assign to Dentist;

(i) not enter into any Payer Agreements, unless such agreements have been approved, in writing, by Corporation;

(j) provide all professional dental services within Dentist's licensed capability as may be required by patients designated by Corporation; provided, however, if Dentist feels he/she is not qualified to provide such services, Dentist shall refer the patient to an appropriate dentist designated by the Corporation, unless the services needed cannot be provided by any of such dentists;

(k) provide such coverage and professional dental services to the Medical Center as Corporation has agreed to arrange and/or provide, and attend medical staff meetings, accept appointment and participate in medical staff-related committees and otherwise fulfill the obligations of a member of the Medical Center's medical staff;

(l) cooperate with and participate in the quality assessment and performance improvement activities of the Medical Center as required by all applicable bylaws, rules and regulations of the Medical Staff at the Medical Center and the policies and procedures of the Medical Center; cooperate with litigation or risk management committees, offices, departments or other responsible persons of the Medical Center

and participate in any litigation or risk management programs carried on by the Medical Center; and participate in, and cooperate and assist with, the Medical Center's utilization and case management program, which is designed to promote the consistency, quality, appropriateness, and medical necessity of medical and dental services provided to patients of the facility;

(m) perform his/her duties faithfully, diligently, in a professional manner and in accordance with performance standards established by Corporation based on generally recognized standards of care, and carry out and perform reasonable orders, directions and policies announced by Corporation, to the extent allowed by State law, from time to time;

(n) complete billing and charge information on all patients, even if Dentist desires to waive charges;

(o) accept and receive consultations and requests for professional services from physicians/dentists employed or designated by Corporation, as well as from other physicians/dentists with whom Corporation has contractual relationships for the provision of medical or dental services;

(p) deliver to Corporation all fees, honoraria, payments, stipends, or other income attributable to Dentist's professional services or professional time expended pursuant to this Agreement, including without limitation office calls, hospital practice, research-related payments, consultant and emergency room treatments; and

(q) Dentist shall perform such other duties as reasonably requested by Corporation or Corporation's authorized agent, to the extent allowed by State law.

4. Authority of Corporation. Dentist understands that Corporation shall have final authority over the acceptance or refusal of any patient at a clinic, assignment of any patient for treatment, and determination of the amount of the fee to be charged any patient for professional services performed by Dentist, provided that Corporation shall perform these functions in compliance with the Dental Practice Act and regulations issued by the Dental Board. Dental Fees will be usual, customary and reasonable and Dentist will provide a 25% Discount to GSMC employees. Nothing in this Agreement shall require Dentist to treat a patient who has documented non-compliance or is abusive, subject to Board policy and legal requirements applicable to the Clinics. However, Dentist shall not refuse to see any patient because of race, color, national origin, ancestry, religion, sex, marital status, sexual orientation, age, or mental or physical handicap. Dentist shall not refuse to see any patient assigned by Corporation because of the source of payment for services rendered by Clinic or Dentist or because the patient is or is not employed by any particular employer or is or is not a member of any particular insurance plan or HMO.

5. Records and Files. All dental records prepared by Dentist while providing professional services to patients hereunder shall be owned by Dentist and subject to the Dental Records Custodial Agreement executed by Dentist and Corporation. All other records and files resulting from services rendered by Dentist, including those prepared by Dentist, during his/her employment by Corporation are the property of Corporation. Upon Dentist's termination of employment with Corporation, all such records shall remain the property of Corporation except as provided in this Section 5. Dentist may obtain reasonable access to such records to the extent permitted by applicable law.

6. Other Activities.

(a) The expenditure of reasonable amounts of time for teaching, personal or outside business or charitable activities shall not be deemed a breach of this Agreement, provided such activities do not interfere with Dentist's performance of the services required by this Agreement. During the term of this Agreement, Dentist shall not, without the express prior written consent of Corporation, directly or indirectly, render professional dental services to or for any person or firm for compensation, or engage in any activity competitive with or adverse to Corporation or its affiliates, whether alone, as a partner, or as an officer, director, employee or shareholder of any other association or corporation, or as a trustee, fiduciary or other representative of any other person or entity. Further, during the term of this Agreement, Dentist shall not take any actions that would interfere with Dentist's obligations to the Medical Center (as determined by Corporation).

(b) Dentist covenants and agrees that, during the term of this Agreement and for a period of one (1) year thereafter, Dentist shall not, without the prior written consent of Corporation, directly or indirectly, as an employee, employer, agent, principal, partner, five percent (5%) stockholder, consultant, director, or corporate officer or in any other capacity, engage in any business, or render any services to any business, that is in competition with the business (or a portion thereof) of Corporation or its affiliates within the primary care service area (as designated in Exhibit 6(b)) of the clinic locations at which Dentist provides services hereunder.

Dentist recognizes that the covenants and assurances made by Dentist as set forth in this Section 6(b) are an essential part of this Agreement and, but for such covenants and assurances, Corporation would not have entered into this Agreement. Further, Dentist acknowledges and agrees that Dentist's covenant not to compete set forth above is necessary to ensure the continuation of the provision of dental services by Corporation and its successors and that irreparable harm and damage will be done to Corporation in the event that Dentist competes with Corporation within the geographic area referenced above.

Should any portion of this covenant be held by a court of competent jurisdiction to be unenforceable, the parties agree that for the purpose of such proceeding and in such jurisdiction, the restrictions contained in this Section 6(b) (whether as to geographic area, scope of practice or otherwise) shall be deemed to be reduced to the extent necessary to permit enforcement of this Agreement. Without limiting other possible remedies to the Corporation for breach of this covenant, Dentist agrees that injunctive or other equitable relief shall be available to Corporation without the necessity of posting bond, cash, or otherwise, and if Corporation prevails, Dentist shall be responsible for the payment of all costs, including without limitation, court costs and reasonable attorneys' fees incurred by Corporation in enforcing the provisions of this Section 6.

7. Dentist Compensation.

(a) As full compensation for all services rendered by Dentist under this Agreement and compliance with the restrictive covenants contained herein, Corporation shall pay Dentist in the manner and amounts described in the plan attached as Exhibit A (the "**Compensation Plan**"), which attached hereto and incorporated herein by reference. The productivity bonus compensation of the Compensation Plan shall be subject to change by Corporation in its discretion at any time this Agreement is in effect. Corporation will provide Dentist with a 90 day notice prior to any changes being made. All compensation shall be subject to withholding for income tax and other employment tax amounts, social security, and as otherwise required or as appropriate with respect to compensation paid by an employer to an employee.

(b) During the term of this Agreement, Dentist shall be entitled to paid vacation per calendar year in accordance with Corporation's employment policies and as defined in Exhibit B and to such holidays as are generally observed by Corporation. The Dentist shall also be entitled to five (5) days of continuing professional education leave per calendar year and shall be reimbursed by Corporation for reasonable expenses incurred for dues, license fees and continuing professional education up to a maximum of Two Thousand Five Hundred dollars (\$2,500.00) per calendar year. Dentist shall be entitled to receive a pro rata determined amount of vacation and continuing professional education reimbursement in the event he is not employed by the Corporation for the entire calendar year.

(c) Dentist shall be invited and permitted to join or otherwise enjoy the benefits of or participate in all qualified pension, profit sharing, health coverage or similar plans adopted for the general benefit of eligible employees of Corporation, and other fringe benefits which may from time to time be provided to employees of Corporation, in accordance with the terms thereof. The plans currently adopted for employees of Corporation are listed on Exhibit B.

8. Professional Fees.

(a) Corporation shall from time to time establish and amend a schedule of charges for the professional services to be rendered by Dentist. Dentist hereby assigns to Corporation the sole and absolute right to bill and receive all fees or charges for the services of Dentist furnished to patients in the course of Dentist's employment pursuant to this Agreement and hereby appoints Corporation as his attorney-in-fact for collection of same or otherwise enforcing Dentist's interest therein. Corporation shall perform the billing and collection functions for all services provided by Dentist in such manner as Corporation, in its sole discretion, shall decide. Dentist hereby authorizes Corporation to accept, or refuse to accept, on behalf of Dentist, any assignment of insurance benefits (e.g., Medicare, Blue Cross/Blue Shield, etc.) from any patient receiving professional services from Dentist. At the request of Corporation, Dentist shall list and designate Corporation with such insurance or other third party payer program (to the attention of such officer(s) of Corporation as Corporation shall designate) as the sole addressee to whom all payment(s) or payment voucher(s) for professional services performed by Dentist shall be mailed. Dentist shall take all additional steps and provide all information and documentation reasonably requested by Corporation to assist in the billing and collection of funds for services rendered by Dentist. All funds collected by any person or entity with respect to the services provided within the purview of this Agreement shall be the exclusive property of Corporation, and the sole compensation to Dentist shall be as provided in Section 7 above. Dentist shall not bill, charge, seek compensation or reimbursement from, or have any recourse against, any patient or any person acting on behalf of any patient (including third party payors) for services rendered hereunder. If Dentist receives any such payment, he shall forward it immediately to Corporation.

(b) Any fees earned by Dentist outside of the office for providing professional dental services shall be the property of Corporation. However, any fees, salaries or other honoraria received for teaching seminars and the like performed by Dentist on an intermittent basis on Dentist's days off or during such other time or times as shall not interfere with his/her duties hereunder shall belong to Dentist, provided that Dentist must obtain Corporation's consent (which Corporation may withhold in its sole discretion) to any such outside activities prior to engaging in same.

9. Expenses. Dentist is authorized to incur only such business expenses in the performance of services hereunder as Corporation shall authorize in writing.

10. Services Provided by Corporation.

(a) Corporation shall furnish Dentist with such facilities, working space, secretarial and technical assistance, supplies and services as may be required by and suitable to Dentist's position and the adequate performance of Dentist's duties, as



determined by Corporation after consultation with Dentist. Corporation shall determine whether and upon what terms Dentist and/or Corporation shall participate in any program or contract, whether government-sponsored or privately sponsored.

(b) Corporation shall maintain comprehensive general liability and professional liability insurance or other coverages throughout the term of this Agreement applicable to the services required of Dentist pursuant to this Agreement. The professional liability insurance shall be in amounts of coverage no less than One Hundred Thousand Dollars (\$100,000) per occurrence and Three Hundred Thousand Dollars (\$300,000) in the aggregate during any year. Upon the termination of Dentist's employment, if the insurance was claims made, Corporation shall maintain tail coverage for professional services rendered by Dentist during Dentist's employment with Corporation, at the same amount of coverage and in the same manner as stated in this Section 10 as was in effect and applicable to Dentist at the time of termination of employment, for a claims reporting period of a minimum of four (4) years.

#### 11. Confidentiality.

(a) Dentist, for Dentist and Dentist's successors and assigns, covenants and agrees with Corporation that neither Dentist nor his family members or advisors shall disclose, publish, communicate, divulge, use to the detriment of Corporation, release or misuse in any way any confidential information or trade secrets of Corporation, including without limitation personnel files, patient records, patient lists, books, records, literature, products, secret processes, know-how and technical data, including sales, medical/dental training or medical/dental practice techniques, clinical pathways and treatment protocols (or any similar documents) ("Confidential Information"). Dentist further agrees that the client/patient and payor lists are protected property of Corporation. Dentist acknowledges and agrees that any Confidential Information that Dentist has acquired was received in confidence and in his/her role as a fiduciary of Corporation. Further, Dentist agrees not to use any Confidential Information for his/her personal gain or to release any Confidential Information without the prior written consent of Corporation and to maintain the confidentiality of such information in accord with applicable law. It is agreed by the parties that this covenant by Dentist shall continue after the termination of this Agreement. Dentist acknowledges that all Confidential Information owned by Corporation or used by it in connection with the conduct of its business shall at all times remain the property of Corporation, and that upon termination of employment hereunder, irrespective of the time, manner, or cause of said termination, Dentist will surrender to Corporation all such Confidential Information, except as otherwise provided in this Agreement.

(b) Upon termination of this Agreement, Dentist shall not be entitled to keep or preserve the records of Corporation as to any client/patient for whom services were

performed, except as provided in Sections 5 and 6. In no event shall Dentist be entitled to the records or files of any person for whom Dentist did not render particular services on behalf of Corporation, except as otherwise provided in this Agreement.

(c) It is agreed by the parties that damages for breach of this Section 11 are inadequate and are not easily ascertainable and that, therefore, Corporation shall be entitled to seek relief by way of injunction enjoining Dentist from any such acts prohibited by this Agreement or other extraordinary relief, without the necessity of posting bond (cash or otherwise). Such injunctive or extraordinary relief shall be cumulative to, but not in limitation of, any other remedies that may be available. The obligations set forth in this Section 11 shall survive termination of this Agreement.

12. Communications Regarding Corporation. Dentist agrees that if he/she has any complaints or criticism of Corporation, Medical Center or the Clinics, he/she shall address all such complaints or criticism in accordance with established Board policy to facilitate prompt and appropriate intervention. Nothing in this section is intended to affect, interfere with or restrict any communication between Dentist and a patient necessary for the patient to make informed decisions regarding his/her dental care, including discussion of treatment alternatives or choices.

13. Termination. This Agreement may be terminated as follows:

(a) After the Initial Term, by either party on one hundred twenty (120) days prior written notice to the other party;

(b) Automatically by Corporation on written notice upon:

- (i) termination, suspension, probation, limitation, revocation or lapse without renewal of Dentist's license to practice dentistry in the State of Texas, any dental specialty certification held by Dentist, or Dentist's state or federal authorization to administer prescribed controlled substances,
- (ii) termination or loss of Dentist's participation in the Medicare or Medicaid programs,
- (iii) termination, suspension, probation, limitation, revocation or lapse without renewal of Dentist's staff privileges at any hospital or health care facility on any basis involving or related to quality of care, unprofessional conduct, unethical conduct or disruptive behavior,
- (iv) Dentist's death or in the event Dentist is determined to be Disabled as defined below,
- (v) inability of Corporation to secure or maintain professional liability insurance for the services provided by Dentist as required by Section 10(b) of this Agreement;

- (vi) conduct of Dentist that is considered by the Corporation to be unethical, unprofessional, fraudulent, unlawful or adverse to the interests, reputation or business of the Corporation or its affiliates;
- (vii) Dentist's conviction of a felony or crime of moral turpitude;
- (viii) failure by the Dentist to meet utilization, performance, efficiency or quality standards established by Corporation, to the extent allowed by applicable law, or the Medical Center;
- (ix) failure by the Dentist to maintain adequate dental records or to comply with the Dental Records Custodial Agreement;
- (x) the use of alcohol or a controlled substance which materially impairs the ability of the Dentist to effectively perform the Dentist's duties and obligations under this Agreement;
- (xi) determination by Corporation, in good faith, that the Dentist is not providing adequate patient care or that the health, safety or welfare of patients is jeopardized by continuing the employment of Dentist; or
- (xii) Dentist breaches any provision of this Agreement after having been given an opportunity to cure a previous breach of the same provision.

(c) Upon issuance of a professional review action to terminate Dentist's authority to provide services to Corporation by Corporation's Board of Directors pursuant to its peer review policy;

(d) Upon written notice by either party to the other of a material or significant breach of this Agreement and the breaching party's failure to cure such breach within thirty (30) days of notice; or

(e) By mutual written consent of both parties, effective on the date specified in such written consent

For the purposes of clause (b)(iv) above, Dentist shall be "Disabled" if (i) Dentist is determined to be mentally incompetent by a court or quasi-judicial body or is physically unable to perform the duties required hereunder with reasonable accommodation, and (ii) the Disability continues for, or two licensed physicians certify that the Disability is likely to continue for, a period of 180 consecutive days or a total of 180 days within a period of 365 consecutive days.

In the event this Agreement terminates regardless of the basis, or if Corporation learns of an occurrence that potentially places patients at risk or may lead to termination by Corporation, Corporation may in its sole discretion require that Dentist immediately cease performing Dentist's duties as contemplated in the Agreement and deny access

to Corporation's premises and facilities, effective on the date notice is provided. Such action shall not, however, affect the obligations of Corporation to compensate Dentist during such notice period. In addition, on or after the filing of notice of termination hereunder and during any notice period, Corporation shall be entitled to such full-time or part-time services of Dentist as Corporation may reasonably require.

For purposes of this Agreement, the "**Termination Date**" shall refer to the date specified in this Section 13 as of which Dentist is no longer an employee of Corporation, whether by termination, resignation, retirement or withdrawal. Unless otherwise requested by Corporation, upon termination of this Agreement, Dentist shall (i) assist Corporation in transitioning care of any patients affected by termination to another dentist, including without limitation continuing to provide services as required by any applicable Texas Department of Insurance or other regulations or Payer Agreements in effect on the Termination Date, and (ii) fully cooperate with Corporation in all matters relating to the winding up of his pending work on behalf of Corporation and the orderly transfer of such work to the other professional employees of Corporation or person designated by Corporation.

14. Medicare Access. Upon written request of the Secretary of Health and Human Services or the Comptroller General or any of their duly authorized representatives, Dentist shall make available to the Secretary or the Comptroller General those contracts, books, documents and records necessary to verify the nature and extent of the cost of providing his/her services. If Dentist carries out any of the duties of this Agreement with a value of \$10,000 or more over a twelve (12) month period through a subcontract with a related individual organization, Dentist shall include this requirement in all such subcontracts. The parties agree that any attorney-client, accountant-client, or any other legal privilege shall not be deemed waived by virtue of this Section.

15. Relocation.

Within seven (7) days after the Agreement is signed by both parties, Corporation shall pay to Dentist a one-time sign-on bonus in the amount of Ten Thousand Dollars (\$10,000.00). Upon Dentist's request and upon submission of receipts and copies of other necessary items documenting actual and reasonable moving expenses, Corporation agrees to pay directly to Dentist or to vendors who provide moving services to Dentist, all of the actual and reasonable moving expenses to relocate Dentist's office Longview, Texas up to Seven Thousand Dollars (\$7,000.00). Dentist shall be required to furnish receipts documenting actual and reasonable moving expenses to Corporation.

If prior to or during the first Twenty Four (24) months following the Start Date, this Agreement is terminated for any reason, Dentist shall pay to Corporation an amount equal to the Prorata Portion of all amounts paid by Corporation to Dentist, pursuant to this Section 15, as a sign-on bonus and for relocation expenses. Such amount shall be

paid to Corporation within seven (7) days following the termination date. In the event such amount is not paid within such seven (7) day period, Dentist hereby authorizes Corporation to offset such amount against any amounts due to Dentist during or following termination of the Agreement, including without limitation salary, benefits or any other amounts due. By signing below, Dentist agrees that this Agreement constitutes written authorization for Corporation to reduce Dentist's compensation in order to recover any amounts due to Corporation under this Agreement. For purposes of this Agreement, "prorata portion" shall mean the remaining balance when the actual amounts paid by Corporation are amortized evenly over a twenty-four month period beginning on the Start Date. In the event the Agreement is terminated on or prior to the Start Date, the "prorata portion" shall be 100%.

16. Miscellaneous.

(a) The terms of Sections 3(g) and (p), 5, 6(b), 8, 10(b), 11, 12, 13, 14, 15, 16(a), (d), (e), 16(h), (j), (k) and (n) shall survive, and shall continue in full force and effect as applicable after, the Termination Date.

(b) The relationship between Corporation and Dentist is that of employer and employee, respectively. Dentist shall not have any interest in Corporation's tangible or intangible assets by reason of the employment relationship. The relationship between Corporation and Dentist shall not modify or affect in any way the Dentist-patient privilege or relationship prescribed by law and custom, except as specifically set forth in this Agreement. Corporation shall neither have nor exercise, nor attempt to have or exercise, any control, influence or direction over (or otherwise interfere with) the independent professional judgment of Dentist regarding the diagnosis or treatment of a dental disease, disorder or physical condition nor over the methods or manner by which Dentist performs professional dental services under this Agreement or engages in the practice of dentistry. Dentist shall perform any services constituting the practice of dentistry free of any direction or control by Corporation, but in a manner consistent with generally accepted dental community standards.

(c) Dentist shall have no right or authority to make any contract or otherwise binding promise of any nature whatsoever on behalf of Corporation, whether written or oral, without the prior written consent of Corporation. However, Dentist shall advise and assist Corporation in securing and retaining contracts in the name and for the account of Corporation as requested by Corporation. Dentist shall not be entitled to incur debt or other obligations on behalf of Corporation, or mortgage, pledge, assign or hypothecate the assets of Corporation.

(d) Any notice, demand or communication required, permitted or desired to be given hereunder shall be deemed effectively given when personally delivered or delivered by facsimile or seventy-two (72) hours after being mailed by prepaid certified

mail, return receipt requested, addressed to the address set forth on the signature page hereof (or to such other address, and to the attention of such other person(s) or officer(s), as either party may designate by prior written notice) in accord with this Section.

(e) Should a dispute arise out of this contract, the parties to the dispute shall first attempt to resolve it through direct discussions in the spirit of mutual cooperation. If the parties' attempts to resolve their disagreements through negotiation fail, the dispute shall be mediated by a mutually acceptable third-party to be chosen by the disputing parties within thirty (30) days after written notice by one of them demanding mediation. The disputing parties shall share the costs of the mediation equally. By mutual agreement, the parties may use a non-binding form of dispute resolution other than mediation. Any non-binding dispute resolution process conducted under the terms of this section shall be confidential to the fullest extent permitted by law. In the event that neither a negotiated or mediated resolution is obtained within the time periods provided by this section, the parties may pursue any available legal or equitable remedy.

(f) No assignment of this Agreement or the rights and obligations hereunder shall be valid without the specific written consent of both parties; provided, however, that the obligations of Corporation may be delegated by Corporation to its member or to an entity affiliated with Corporation's member.

(g) No delay on the part of Corporation or Dentist in exercising any right under this Agreement shall operate as a waiver of such right, nor shall any waiver, express or implied, by Corporation or Dentist of any right under this Agreement or of any failure to perform or breach of this Agreement be deemed to be a waiver of any other failure to perform or breach, whether of a similar or dissimilar nature.

(h) This Agreement shall be construed and enforced in accordance with the laws of the State of Texas, and Gregg County, Texas shall be the sole and exclusive venue for any disputes, claim or litigation arising hereunder. The existence of any claim or cause of action by Dentist against Corporation shall not constitute a defense to the enforcement by Corporation of this Agreement. In the event either party resorts to legal action to enforce the terms and provisions of this Agreement, the prevailing party shall be entitled to recover the costs of such action so incurred, including, without limitation, reasonable attorneys' fees.

(i) Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions of this Agreement or affecting the validity or enforceability of such provision in any other jurisdiction.

(j) This Agreement shall be binding upon the executors, administrators,

personal representatives, heirs and legatees of Dentist and shall bind and inure to the benefit of the successors and assigns of Corporation.

(k) This Agreement constitutes the entire understanding between the parties relating to the subject matter of this Agreement. There are no representations, warranties, agreements, statements, conditions, terms or obligations other than those contained in this Agreement. No amendment to or variation or modification of this Agreement shall be deemed valid unless in writing and executed by both parties hereto.

(l) The section and other headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

(m) This Agreement may be executed in more than one counterpart, and each executed counterpart shall be considered as the original.

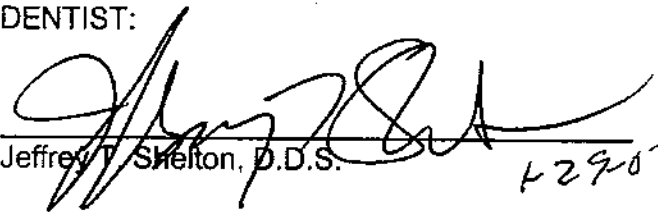
(n) Both parties agree that all terms and conditions of this Agreement and Dentist's employment by Corporation shall be kept confidential between the parties and their respective legal counsel, tax advisors and accountants. Neither party shall disclose such terms and/or conditions to any person or entity other than those listed in the previous sentence. Failure by Dentist to comply with this section may constitute cause, at the sole discretion of Corporation, for immediate termination of this Agreement.

(o) Dentist shall not use, or knowingly permit any other person who is under his/her direction or control to use, any part of the Clinic's premises for any purpose other than the performance of services for Corporation and/or its patients pursuant to this Agreement.

(p) Nothing contained herein is intended to (a) constitute the use of a dental license for the practice of dentistry by anyone other than a licensed dentist; (b) aid Corporation or any other person or entity to practice dentistry when in fact such person or entity is not licensed to practice dentistry; or (c) constitute or result in any other act or create any other arrangement in violation of the Texas Dental Practice Act.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first written above.

DENTIST:

  
Jeffrey T. Shelton, D.D.S. 12907

Address for Notice:

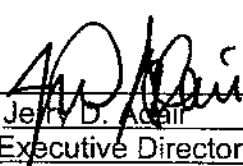
140 Sweetheart Lane

Longview, Texas 75605

CORPORATION

GS PHYSICIAN SERVICES, INC.

By:

 1/24/07  
Name: Jerry D. Adair  
Title: Executive Director

Address for Notice:

700 E. Marshall Avenue

Longview, Texas 75601

Attn: Jerry D. Adair



**SCHEDULE 1**

**Prior Actions**

## **EXHIBIT A COMPENSATION**

For all services rendered by Dentist under this Agreement and compliance with the restrictive covenants contained therein, Corporation shall pay Dentist as follows:

**A. Base Salary:**

Corporation shall pay Dentist a base salary in the amount of One Hundred Thirty Thousand Dollars (\$130,00.00) per year for the Initial Term of Two (2) years, paid in semi-monthly payments, beginning after the Start Date and ending upon the earlier of termination of this Agreement in accordance with Section 13 or revision of such base salary amount by Corporation, as contemplated in Section 7(a) of the Agreement. The base salary shall be payable in accordance with Corporation's standard payroll policies in effect during the term of this Agreement and as amended from time to time.

**B. Productivity Bonus ("Bonus"):**

**1. Calculation of individual bonus.**

Dentist shall be entitled to a Bonus equal to one hundred percent (100%) of Dentists Net Revenue (as defined below) for a given fiscal year. For purposes of this Agreement, "Dentists Net Revenue" shall mean all money collected by Corporation (net of patient refunds) for or as a result of Dentist's provision of professional services to Corporation's patients regardless of where such services are provided or to whom, less all dental practice and Clinic expenses (including without limitation Dentist's salary and personal draws, overhead allocations and related Corporation expenses, overhead allocations will be based on 4% of collections, sign-on bonus and relocation reimbursements ) that are incurred, amortized or accrued by Corporation and reasonably related to operation of the Clinic and Dentist's employment and/or practice of dentistry.

Bonuses shall not be cumulative, so that a Bonus that is not earned in a particular fiscal year cannot be earned in a subsequent year.

**2. Payment**

Bonus payments shall be paid annually to Dentist no later than the forty-fifth (45<sup>th</sup>) day, November 15th, following the end of each fiscal year. Each

Bonus payment shall be calculated using the Dentists Net Revenue for the immediately preceding fiscal year. If Dentist is terminated or voluntarily leaves Corporation for any reason prior to the payment of any annual bonus, he/she shall not be entitled to receive any Bonus payments after the time of such termination.

**EXHIBIT B**

**BENEFIT PLAN SUMMARY**

- X Professional Liability Insurance  
[procured through Good Shepherd Provider Corporation-  
\$100,000/\$300,000 claims made with tail coverage]
- X Life Insurance
- X Health Insurance
- X Disability Insurance
- X Vacation - 3 weeks; additional time will be considered and taken as leave  
of absence without pay
- X 5 days sick leave
- X CME - 1 week
- X Education/Dues/License - reimbursement for maximum of \$2,500 per year
- X 401k Retirement Fund

**EXHIBIT 6(b)**

**Clinic Location**

701 E. Marshall Ave.  
Longview, Texas

**Primary Service Area**

Eight (8) mile radius surrounding  
the clinic location.

**ADDENDUM TO DENTIST EMPLOYMENT AGREEMENT  
BETWEEN GS PHYSICIAN SERVICES, INC., ("CORPORATION")  
AND JEFFREY T. SHELTON, D.D.S. ("DENTIST")**

**RIGHT TO COMMIT DENTIST TO PAYER AGREEMENTS**

Dentist acknowledges that, pursuant to Section 3(g) of the Dentist Employment Agreement to which this Addendum relates, Dentist is required to comply with Payer Agreements (as defined in Section 3(g) of the Employment Agreement). Dentist acknowledges that Corporation will enter into Payer Agreements from time to time. Dentist further acknowledges that certain Payer Agreements are stated in terms of the individual Dentist or other health care provider being a named party to the Payer Agreement, in addition to or instead of Corporation.

The parties both believe that entering into Payer Agreements will be facilitated if Corporation is authorized to commit Dentist to participation in Payer Agreements. Dentist wishes to provide Corporation with authorization for Corporation to commit Dentist to Payer Agreements.

1. Limited Power of Attorney. In connection with Dentist's employment by Corporation under the above-referenced Dentist Employment Agreement, Dentist hereby appoints Corporation as Dentist's agent and limited attorney-in-fact, without power of substitution (provided that Dentist acknowledges that Corporation will function in this capacity by and through its officers), with authority to negotiate for and on behalf of Dentist, and bind Dentist to Payer Agreements; provided that such Payer Agreements shall have been approved in accord with Corporation's Bylaws and that no such Payer Agreements shall be deemed to amend, or to in any way change, the Dentist Employment Agreement.
2. Obligations of Corporation. Corporation shall pay any fees or other costs associated with Dentist's participation in or compliance with Payer Agreements.
3. Representations, Warranties and Covenants. Dentist hereby represents, warrants and covenants as follows:
  - a. Dentist shall cooperate with the UM Program (defined below). Dentist understands that failure to cooperate with the UM Program may result in denial of payment by the Payer under a Payer

Agreement. Dentist further understands and agrees that patients may not be liable for services for which payment is denied by a Payer for reasons of medical necessity, unless the patient was notified prior to receiving the services that the services would not be covered under the Payer's plan.

- b. Data collected by Corporation in the UM Program may be provided by Corporation to Payers and other persons. Dentist shall have the right to inspect the Dentist's individual data.
- c. Dentist shall fully and accurately complete applications and statements required under Payer Agreements upon request by Corporation, and shall notify Corporation immediately of any changes in the information contained in all Dentist applications and statements submitted by the Dentist to Corporation in connection with any Payer Agreement.

For the purposes of the foregoing, "**UM Program**" means any utilization management program administered or arranged by a Payer or Corporation, as required by a Payor Agreement, for the monitoring and evaluation of services provided or to be provided by Dentist to patients, and the medical necessity thereof, which may include prior certification, prospective, concurrent and retrospective utilization review, discharge planning and quality assurance.

IN WITNESS WHEREOF, the parties have executed this Addendum as of

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DENTIST

CORPORATION  
GS PHYSICIAN SERVICES, INC.

By: 

JEFFREY T. SHELTON, D.D.S.  
12987

By:  1/24/07

Name: JERRY D. ADAIR  
Title: Executive Director